



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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August 21, 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name of the Chief Executive Officer.

SACRAMENTO UPDATE

This memorandum provides reports on ABX3 14, the Corrections Reform bill; the joint Senate and Assembly Committee hearing on Delta/Water Legislation; a joint informational Senate Committee hearing on Constitutional and Budget Reform; and a joint Senate Committee hearing on the H1N1 (Swine Flu) Pandemic; a pursuit of County position on legislation to prohibit the importation of a single-use recyclable packaging container comprised predominantly of Polyvinyl Chloride plastic resin; and the status of six County-advocacy bills.

Senate Approves Reductions to State Prison Population

On August 20, 2009, the Senate voted 21 to 19 to narrowly approve ABX3 14 (Arambula) which would achieve the \$1.2 billion in previously unallocated reductions to the California Department of Corrections and Rehabilitation (CDCR) included in the FY 2009-10 Revised State Budget Act. After releasing the draft language late Wednesday evening, the Senate amended the bill and it was taken up yesterday on the Senate Floor where a lengthy and contentious discussion ensued before the bill was passed with the minimum number of AYE votes. Senators Calderon, Correa, Florez, and Padilla joined the Senate Republican Caucus in opposing the measure.

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Based on proposals advanced by the Governor during budget negotiations, ABX3 14 includes policy reforms in the areas of parole, custody, and program credits, and would result in a reduction to the State prison population of over 27,000 inmates over the next fiscal year. The CDCR would have the authority to order home detention with electronic monitoring for those lower-risk inmates with less than 12 months to serve on their prison terms, inmates over age 60, and those permanently medically incapacitated, regardless of the length of their sentence.

The Sacramento advocates shared concerns this week with the County's legislative delegation about the potential for the alternative custody proposal to impose significant and unmanageable costs on the County, particularly in the areas of health and human services.

The District Attorney sent a letter to the Legislature opposing ABX3 14. The Sheriff also sent a letter sharing concerns with the measure.

ABX3 14 was heard on the Assembly Floor late yesterday evening; however, the Assembly adjourned at midnight without taking a vote on the measure. Sources in the Capitol suggest that concerns by counties and local law enforcement agencies may have slowed the progress of this legislation and the delay may indicate the possibility that there are insufficient votes in the Assembly for passage.

Committee Hearing on Water Legislation

On August 18, 2009, the Assembly Water, Parks & Wildlife Committee and the Senate Natural Resources and Water Committee held a joint hearing to discuss the five-bill 2009 Proposed Delta/Water Legislation package consisting of AB 39 (Huffman), AB 49 (Feuer), SB 12 (Simitian), SB 229 (Pavley), and SB 458 (Wolk). The bill package does not presently include a bond or appropriations bill.

The multi-panel hearing included testimony from representatives of State government, a coalition of counties, special districts, community groups, and other interest in parties. Responding to remarks from fellow committee members that the bill package does not address statewide considerations or identify how water projects would be paid, members of the committee authoring water bills replied that it was their preference to focus on the many policy challenges facing the Sacramento-San Joaquin River Delta, to include levees, Delta ecosystem restoration and sustainability, State and Federal water quality mandates, and state-federal-local oversight, before crafting the fiscal mechanism.

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Among the many panelists testifying were Roger Patterson of the Metropolitan Water District of Southern California; State Department of Water Resources Director Lester Snow; State Fish & Game Director Don Koch; Resources Agency Deputy Secretary Joe Greinstaff; and CALFED Bay Delta Program's Independent Science Board Chair, Dr. Jeffrey Mount. The discussion topics included statewide water issues, water conservation, conveyance and storage infrastructure, Central Valley agricultural needs, and State and Federal water management policy.

Supervisors Mike McGowan (Yolo) and Mary Nejedly Piepho (Contra Costa) spoke on behalf of the Delta Counties Coalition. The Supervisors stated that there are two shortcomings in the five-bill package: 1) there is no guaranteed funding stream to ensure that all of the proposed Delta solutions can be implemented; and 2) the five bills have been developed independently and are not crafted as a coherent and comprehensive proposal.

In his August 17, 2009 letter to Senate President pro Tempore Darrell Steinberg and Assembly Speaker Karen Bass, the Governor noted that "the longer we wait to make changes, the narrower our range of options becomes." The Governor added that he and Senator Feinstein "joined together to offer a water infrastructure and ecosystem restoration package that combined the best thinking...we've been debating for two years." Outlining the goals identified by the Governor's Delta Vision Blue Ribbon Task Force, the Governor stated that "I cannot sign a comprehensive water package if it fails to include a water infrastructure bond that expands our (surface and groundwater) water storage capacity..."

Letters from Governor Schwarzenegger, the Delta Counties Coalition, and the Placer County Water Agency on the water legislation are attached for your information.

A second hearing is tentatively scheduled for August 25, 2009, with the possibility of a third hearing on August 27, 2009.

Joint Informational Hearing on Constitutional and Budget Reform

On August 18, 2009 the Senate Committee on Elections, Reapportionment, and Constitutional Amendments and the Senate Committee on Constitutional Reform held an informational hearing to explore and discuss possible reforms to the California Constitution and State Budget process.

At the hearing, witnesses presented an overview of the problems and constraints of the current legislative and budget process and potential reforms that included amending the two-thirds vote requirement to increase taxes and enact a State budget, changing the structure of the Legislature from a bi-cameral to uni-cameral body, and amending term-limits for Legislators. Sunne Wright McPeak with California Forward testified that any reforms must protect revenue streams for local governments noting that counties administer health and human services programs agents of the State.

Further discussion on Constitutional and Budget Reform is expected when the Legislature convenes in a Special Session called by Governor for late September to consider recommendations made by the Commission on the 21st Century Economy.

Joint Hearing on the H1N1 (Swine Flu) Pandemic

A joint hearing of the Senate Education and Health Committees, the Select Committee on Disaster and Emergency Response, and the Joint Committee on Emergency Management will be held in Sacramento on August 27, 2009 to discuss the impact of the H1N1 pandemic on California's public health and education systems.

Pursuit of County Position on Legislation

AB 1329 (Brownley), as amended on July 1, 2009, would prohibit a retail establishment or retailer, on or after January 1, 2014, from selling, distributing, or importing a single-use recyclable packaging container that is comprised predominantly of Polyvinyl Chloride (PVC) plastic resin.

AB 1329 defines "retail establishment" or "retailer" as an individual, partnership, corporation, association, or other legal relationship that engages in the business of selling goods to retail buyers. A "single-use recyclable packaging container" is defined as a container that is used to contain, protect or hold a consumer good, food or beverage, until that item is to be opened or consumed, after which point the container serves no other function and is intended to be discarded, and has the shape of a bottle, a clamshell, a sack, a cup, a bowl, a shrink or stretch wrap or other packaging shape.

Excluded from the definition of single-use recyclable packaging container is a container: 1) used solely in transportation and not made available to consumers; 2) that is used solely for the transportation and protection of a building material, including, but not limited to windows and related products used in residential construction; 3) that encloses a dangerous drug, as defined, or a container that encloses an over-the-counter human or veterinary drug; 4) in which a medical device, as defined, is

enclosed; and 5) that is used to contain a petroleum-based product, including a fuel, lubricant, fuel additive, or other petroleum-based product used on or in motor vehicles.

According to the Department of Public Works (DPW), PVC is a widely used thermoplastic polymer and retailers are allowed to sell products, such as household goods, electronics and food, in PVC packaging as long as the containers used do not contain toxic material (such as heavy metal) beyond specified levels. However, a 2009 report by the Toxics in Packaging Clearinghouse found that over half of the flexible PVC packages tested exceeded acceptable limits for the presence of heavy metals. In addition, concerns have been raised recently with regard to PVC being a possible carcinogen due to additives such as phthalates, lead, and cadmium found in PVC products.

The Department of Public Works indicates that the addition of phthalate plasticizers add softness and flexibility to PVC, which allows PVC to be used more widely by the retail industry. However, because phthalate plasticizers are not chemically bound to PVC, they can readily seep into the surrounding environment and groundwater table when land filled. In addition, PVC packaging is not typically recycled due to the prohibitively high cost of regrinding and re-compounding PVC resin. DPW states it is very challenging to distinguish PVC from other plastics, and if inadvertently included in the plastic recycling stream, PVC can contaminate polyethylene terephthalate plastic, which is the nontoxic, dominant resin used for consumer plastic packaging. The presence of PVC packaging in the waste stream prevents some municipalities from accepting certain types of plastic packaging for fear of PVC contamination.

Furthermore, DPW and the Flood Control District spend approximately \$18 million annually on clean-up activities such as street sweeping, catch basin cleanouts, clean-up programs, and litter prevention and education efforts. DPW indicates that the litter collected includes PVC packaging in volumes that are disproportionate to the amount of PVC in the total waste stream. If AB 1329 is enacted, DPW states it would phase out the sale of PVC packaging, and result in the use of packaging that can be made from readily recycled plastics that do not threaten the public's health when consumed or land filled, which increases the County's landfill diversion rate.

The Department of Public Works and this office support AB 1329. Support is consistent with existing policy to support legislation which promotes market development and manufacturer stewardship of environmentally friendly food packaging products. Therefore, **the Sacramento advocates will support AB 1329.**

AB 1329 is sponsored by Californians Against Waste, and supported by a host of entities, including: Breast Cancer Action, Center for Environmental Health, Clean Water Action, Natural Resources Defense Council, Planning and Conservation League, City and County of San Francisco, and Ocean Health Institute. It is opposed by a host of entities, including: American Chemistry Council, California Chamber of Commerce, California Manufacturers and Technology Association, California Restaurant Association, Grocery Manufacturers Association, Society of the Plastics Industry, Inc., Western Growers Association, and Western States Petroleum Association. This measure is currently pending a vote on the Senate Floor.

Status of County-Advocacy Legislation

County-opposed unless amended AB 64 (Krekorian), as amended on June 23, 2009, which would recast the renewables portfolio standard program to require that a retail seller and a local publicly owned electric utility obtain at least 23 percent of its electricity from renewable energy resources by December 31, 2014; increasing to 27 percent by December 31, 2017; and 33 percent by December 31, 2020, was placed on the Senate Appropriations suspense file on August 17, 2009. The bill also would establish the Renewable Infrastructure Authority and related fund and provide for renewable energy designation zones and transmission corridor zones, place restrictions on the ability of solid waste conversion facilities to qualify as a renewable energy resource, and make other related changes. As indicated in the July 16, 2009 Sacramento Update, the Sacramento advocates will continue to oppose AB 64 unless amended to remove the provisions that discourage the development of conversion technologies.

County-opposed AB 479 (Chesbro), which would increase the mandatory solid waste diversion from 50 percent to 75 percent by January 1, 2020, require the owner or operator of a business that contracts for waste services and generates more than four cubic yards of total waste and recyclable materials per week, to arrange for recycling services by January 1, 2011, and require enforcement agencies to inform solid waste facility operators that it is requiring a revision in the solid waste facility permit in conjunction with allowing changes in the design or operation of a facility, if the enforcement agency determines that the proposed change meets specified requirements, was amended on August 17, 2009 and placed on the Senate Appropriations suspense file.

The August 17, 2009 amendments would: 1) require the commercial recycling provisions to be consistent with the Air Resources Board's AB 32 Scoping Plan; 2) revise the definition of "business" for the commercial recycling requirements to include multi-family residential units of 5 or more units; 3) apply the commercial

recycling requirements to self-haulers and require local governments to develop a self-hauling certification program by January 1, 2011; 4) require the Integrated Waste Management Board (Waste Board) to conduct two statewide greenhouse gas (GHG) emissions studies regarding the actual reduction in GHG from the commercial recycling program; and 5) authorize the Waste Board to require jurisdictions to adopt a mandatory commercial recycling ordinance if it determines that the commercial recycling programs are not meeting the GHG emission reductions required by the Scoping Plan.

The Department of Public Works continues to oppose AB 479 because due of the increased mandatory solid waste diversion rate from 50 to 75 percent. In addition, DPW indicates that the recent amendments related to self-haulers and the certification program would be problematic. DPW states that addressing multi-family buildings may not be feasible in built-out urban environments like Los Angeles County and that commercial recycling for self-haulers would be challenging to implement because it is nearly impossible to identify a self-hauler until they are already at the landfill. In addition, any attempts to pre-certify the self-haulers would likely increase illegal dumping. Further, DPW indicates that the creation and implementation of the self-hauling certification program and added responsibilities placed on the haulers would result in substantial increased and unfunded costs to the County. Therefore, the Sacramento advocates will continue to oppose AB 479. This measure is set for a hearing in the Senate Appropriations Committee on August 27, 2009.

County-opposed AB 1048 (Torrico), as amended July 16, 2009, which would increase the timeframe to safely surrender a newborn from 72 hours to up to 30 days, passed the Senate Appropriations Committee by a vote of 9 to 3, on August 17, 2009, and now proceeds to the Senate Floor.

County-supported AB 1058 (Beall) was amended on August 17, 2009 to delete provisions which would eliminate the asset limits for CalWORKs recipients and allow CalWORKs applicants to retain savings of up to \$2,000 with annual adjustment increases. The bill retains provision to exempt the value of motor vehicles from the CalWORKs asset limit. The measure is scheduled for a hearing in the Senate Appropriations Committee on August 27, 2009.

County-supported SB 113 (Senate Local Government Committee), as amended on June 25, 2009, is an omnibus bill that contains three provisions supported by the County to: 1) authorize a county board of supervisors to form a school facilities improvement district in an individual school district; 2) revise the Public Contract Code to align the requirements for County Waterworks Districts to contract for non-construction related work with the contracting requirements for County government to perform similar work; and 3) revise the Water Code, to allow county waterworks

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districts to advance water reliability projects and water system facility construction, passed the Assembly Floor by a vote of 76 to 0, on August 17, 2009. The measure now proceeds to the Senate for concurrence in Assembly amendments

County-opposed unless amended SB 696 (Wright), which would overturn the Superior Court decision in Natural Resources Defense Council v. South Coast Air Quality Management District (SCAQMD) (Super. Ct. Los Angeles County, 2007, No. BS 110792) which ruled that the SCAQMD violated California Environmental Quality Act (CEQA) when adopting Rule 1315 and amending Rule 1309.1, and would exempt future SCAQMD rule changes from compliance with CEQA and authorize the SCAQMD to allow profit-making power plants access to air emission credits previously reserved for government and exempt entities, is set for a hearing in the Senate Environmental Quality Committee on August 26, 2009.

We will continue to keep you advised.

WTF:RA
MR:IGEA:sb

Attachment

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants



GOVERNOR ARNOLD SCHWARZENEGGER

August 17, 2009

The Honorable Darrell Steinberg
President pro Tempore
California State Senate
State Capitol
Room 205
Sacramento, California 95814

The Honorable Karen Bass
Speaker
California State Assembly
State Capitol
Room 219
Sacramento, California 95814

Dear Senator Steinberg and Speaker Bass,

The current drought, combined with an aging infrastructure and increasing restrictions on water supply by regulatory agencies and the federal courts, has brought into stark relief the fragility of California's water management system. Our water system, built for a population of 18 million, has been the backbone of California's success. But that system is now stretched to the breaking point and must be upgraded to serve a population that will reach 50 million.

This third year of dry conditions along with the realities of climate change, seismic vulnerability of the Delta and the condition of Delta fish species, has made our water resources less reliable at a time when our struggling economy and growing population need greater reliability. We are seeing unemployment at historic levels throughout the state. In some places, be they farms with land lying fallow or projects that cannot be built for lack of water, our unemployment rate is made much worse by our broken water system.

The longer we wait to make changes, the narrower our range of options becomes. The Legislature has been debating a comprehensive fix to our water system now for years. I introduced a water infrastructure package as part of the Strategic Growth Plan in January of 2006 and we have debated these issues every year, including holding a special legislative session in 2007, because the imminent collapse of the Delta ecosystem and continuing drought demanded urgent action. Last year Senator Feinstein and I joined together to offer a water infrastructure and ecosystem restoration package that combined the best thinking of all the stakeholders and compromises we've been debating for two years. We are out of time and out of excuses for failing to act.

This year action has been delayed to allow for debate on a new governance structure for the Delta. This debate was supposed to conclude by the end of May so the Legislature could vote on a comprehensive plan before the summer recess. It is now August and we have four weeks left to take action. After more than a year of intense analysis, public

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The Honorable Karen Bass
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discussion and expert contributions, my Delta Vision Blue Ribbon Task Force identified seven goals that virtually everyone agrees should guide our efforts:

- Delta restoration must be founded on the co-equal goals of water supply reliability and ecosystem restoration.
- Recognize and enhance the unique cultural, recreational and agricultural values of the Delta as an evolving place.
- Restore the Delta ecosystem as the heart of a healthy estuary.
- Promote statewide water conservation, efficiency and sustainable use.
- Build facilities to improve the existing water conveyance system and expand statewide storage; operate both to achieve the equal goals.
- Reduce risks to people, property and state interests in the Delta by effective emergency preparedness, appropriate land uses and strategic levee investments.
- Establish a new governance structure with the authority, responsibility, accountability, scientific support and secure funding to achieve these goals.

We have studied the Delta literally to death. It is time to act. I will continue to work with you on the specifics on a legislative solution, but any water package that reaches my desk must be comprehensive and it must address specific critical elements for me to provide my signature.

Water Infrastructure

I cannot sign a comprehensive water package if it fails to include a water infrastructure bond that expands our water storage capacity – both surface storage and groundwater – funds habitat restoration, water quality and conservation. After years of intense negotiations, we narrowly missed the placement of a water bond on the ballot last year. The five water bond bills introduced in the Legislature early this year demonstrate a remarkable level of consensus achieved on this topic. I believe we could resolve any remaining differences in an hour, and I will not sign a water bill without the infrastructure necessary to improve supply reliability.

Delta Governance Structure

It is clear that Delta governance and addressing our antiquated conveyance system is a key issue and one that cannot be deferred. My administration began the environmental analysis for a natural community conservation plan/habitat conservation plan (NCCP/HCP) for the Delta more than a year ago. The Bay Delta Conservation Plan (BDCP) and the environmental impact analyses to implement that plan are being developed pursuant to existing federal and state regulatory and National Environmental Policy Act/California Environmental Quality Act (NEPA/CEQA) requirements. The years of work already

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completed in this area must be recognized by any new Delta governance body and in any new Delta plan.

As currently written, these bills impose significant obstacles to completing the BDCP, subjecting it to criteria that are burdensome, ambiguous and difficult to achieve in a timely fashion. It supersedes the authority of our regulatory and management agencies to complete and certify the Environmental Impact Report on the BDCP and essentially gives a newly-created Delta Council the authority to start the whole process over again. This is a fatal flaw. I support establishment of a new governing Council, but it must not result in further delay in implementing critically needed actions in the Delta.

Delta Plan

The central organizing feature of any attempt to fix the Delta must be a legally enforceable Delta plan founded on co-equal goals of habitat restoration and water supply reliability. As history has taught us, any governance body in the Delta that proceeds without the legal authority to develop and enforce such a plan will fall short of what is necessary to drive the major changes that the system needs. Unfortunately, the legislation as currently drafted does not reflect the co-equal goals of habitat restoration and water supply reliability.

Conservation and Water Use Efficiency

I believe a strong water conservation component is fundamental to any comprehensive water plan. Last year, in my letter to leadership, I asked for a bill that would require a 20 percent reduction in per capita water use by 2020. We came very close to achieving agreement, so I am confident that we can work together to put 20 percent conservation into law this year in a manner that reflects past regional conservation accomplishments in order to equitably achieve statewide savings.

Given the importance of the Delta and the magnitude of harm if we fail to act, I ask that we accelerate our efforts, work together and finalize a comprehensive package of Delta-related legislation this session. After so many years of study and debate there is no rational reason for further delay. California's deteriorating Delta ecosystem and the communities that depend upon reliable water supplies cannot wait. We must act now.

Sincerely,



Arnold Schwarzenegger

/la

cc: The Honorable Dennis Hollingsworth
The Honorable Sam Blakeslee



Water
PLACER COUNTY WATER AGENCY
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August 11, 2009

Senator Fran Pavley, Chair
and Members of the Senate
Natural Resources and
Water Committee
State Capitol, Room 4035
Sacramento CA 94248-0001

Assembly Member Jared Huffman, Chair
and Members of the Assembly Committee
on Water, Parks & Wildlife
State Capitol, Room 3120
Sacramento CA 94248-0001

Re: Legislative Water Package—Preprint bills: AB 1, AB 2, SB 1, SB 2, and SB 3

Greetings:

The Placer County Water Agency (PCWA) has been closely following the various bills related to water and the Delta, which have been combined for your joint Committee hearing and are currently marked as preprint bills AB 1, AB 2, SB 1, SB 2, and SB 3. (We have also followed SB 261, which is related but was not included with these five bills being considered by your Committees.)

The bills before you are contradictory and overlapping. Rather than go through them in detail, it is our objective to set forth to you the principles that PCWA continues to advocate be followed in any water and Delta related legislation.

1. PCWA opposes any legislation that reduces protection of the rights of counties and watersheds of origin to use their natural water resources to the extent needed for the present and future prosperity and economic well-being of their areas. Any such reductions would violate the principles of the area of origin and watershed protection laws (Water Code Sections 10505 and 11460). Those provisions were put into law to protect those regions of California, such as Placer County, from having their water taken away by more populous and politically powerful regions. Those laws are intended to provide the areas of origin with the right to enjoy the economic prosperity of their own natural resources.

Both Senator Simitian's Preprint Senate Bill No. 1 and Assembly Member Huffman's Preprint Assembly Bill No. 1 expressly provide that their new Division 35 to the Water Code does not "diminish, impair or otherwise affect any area of origin, watershed of origin, county of origin or any other water rights protections provided under law." Unfortunately, other provisions in these and other bills that you are considering do not follow these principles. Arbitrary mandated reductions of 20% of water use, in regions of the state that have no water shortage and use water reasonably, in order to provide, without compensation, water for other regions of the state can only be viewed as a violation of the area of origin guarantees.

2. PCWA opposes any legislation that mandates any state-wide limits on per capita water uses. Imposition of any such state-wide mandates is inconsistent with area of origin protections. In addition, any such mandates that are inconsistent with locally developed plans and uses will surely result in the contraction of regional cooperation. They will force local water purveyors to reevaluate their positions and develop strategies to combat such mandates. Regional and state-wide cooperation can only exist when participants are certain that such cooperation will not expose them to increased risks to their own water supply security. Regional security and local control have long been guiding principles for the Sacramento Water Forum and the Association of California Water Agencies (ACWA). These principles should not be undermined for the sake of political theatrics by the Governor or the Legislature.
 3. Exports of water from Placer County should be limited to the water that is surplus to Placer County's need. In those years when PCWA's Middle Fork Project has had water in excess of Placer County's needs and other areas have needed water, PCWA has readily made that water available to willing purchasers. We will continue to do this, but the Legislature should not enact any legislation removing local controls over locally developed water supplies. PCWA's water supplies have been developed with considerable foresight and expense, relying on the availability of the water supplies thereby created. Those supplies should not be unilaterally and involuntarily reallocated to downstream users.
 4. PCWA opposes any legislation that imposes program costs or fees on those who do not benefit from them. The principle of "beneficiary pays" has been a cornerstone of programs that deal with Bay-Delta problems since the inception of the CALFED program. Senator Simitian's Preprint Senate Bill No. 1 expressly adopts the principle. However, that bill would also impose an annual fee on all water right holders who divert water from the Delta watershed, regardless of whether they would benefit from Delta programs. This type of redirected impact is inconsistent with the beneficiary pays principle and is unacceptable to PCWA. While the bill provides that the fees would be imposed "in reasonable relationship to the damage caused by that person's diversion," it provides no mechanism for determining whether any given diversion has caused damage. PCWA opposes imposition of remedial costs without notice and a hearing consistent with due process.
 5. Any legislation you consider should be consistent with the State Water Plan and the Public Water Coalition of California report. The State Water Plan encourages local regions and watersheds to work together to develop and use their local water resources, including surface resources, groundwater and recycled water, in locally sustainable and environmentally acceptable ways. PCWA has done and is doing exactly that. It developed its Middle Fork American River project to meet the water needs of western Placer County in a responsible, reliable and environmentally prudent manner.
- The Public Water Coalition comments are an appropriate and balanced statement of support for the work of the Delta Vision Committee.
6. All water should be used efficiently. PCWA has consistently throughout its existence promoted water use efficiency. All of its water delivery systems are metered. Any legislation should recognize that a "one size fits all approach" is not reasonable or practical for regulating urban water use throughout California. Further, requiring a uniform reduction of 20% by all water suppliers will have the unfair result of penalizing suppliers (and their customers) whose demand has "hardened" as a result of prior water conservation efforts.

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We have previously set forth these principles clearly and succinctly in the two attached letters. The first is the May 21, 2009 letter to Assembly members Feuer and Huffman, and the second is our July 2, 2009 letter to our local legislators, Senators Aanestad and Cox, and Assembly members Gaines and Logue. As emphasized in those letters, and as we repeat here, PCWA is unalterably opposed to legislation taking Placer County's water for export to other areas.

Placer County has developed, at no cost to others, its water for its lands and inhabitants for their efficient, prudent use. You should encourage local governments to do this. Mandating percentage reductions of 20%, or any other amount, in local uses so that water from areas of origin can be exported to other areas against the will of those that developed the water and without compensating them is bad legislation. It will not encourage efficient, wise use of California's water resources. Do not support such legislation.

Thank you for considering the interests of PCWA. Should you have need for further information or have any questions on this, please contact the Agency's General Counsel Ed Tiedemann at (916) 321-4500 or Agency General Manager David Breninger at (530) 823-4860.

Sincerely,

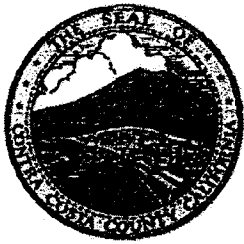
PLACER COUNTY WATER AGENCY



Gray Allen, Chairman
Board of Directors

GLA/EJT/cs

c: Senator Sam Aanestad
Senator Dave Cox
Assemblyman Ted Gaines
Assemblyman Dan Logue
Assemblyman Roger Niello
County of Placer Board of Supervisors
City and Town Councils of Auburn, Colfax, Lincoln, Loomis, Rocklin, Roseville
Water Districts in Placer County
Association of California Water Agencies
California Special Districts Association
California Municipal Utilities Association
Mountain Counties Water Resources Association
Northern California Water Association
Regional Council of Rural Counties
Regional Water Authority
Sacramento Water Forum
Sierra Nevada Conservancy
C.A.B.Y. Integrated Regional Water Management Plan



Delta Counties Coalition

Contra Costa County · Sacramento County · San Joaquin County · Solano County · Yolo County

"Working together on water and Delta issues"

August 17, 2009

Senator Fran Pavley, Chair
Senate Committee on Natural Resources and Water
Room 4035, State Capitol
Sacramento CA 95814

Assembly Member Jared Huffman, Chair
Assembly Committee on Water, Parks and Wildlife
P.O. Box 942849, State Capitol
Sacramento, CA 94249-006

Re: Joint Hearing re 2009 Proposed Delta/Water Legislation – 8/18/09

Dear Senator Pavley and Assembly Member Huffman:

We are the five counties that comprise the Sacramento-San Joaquin River Delta: the counties of Sacramento, San Joaquin, Yolo, Contra Costa and Solano. For many years, we have been steadfast and diligent stewards of the Delta, and have participated in the governance of the Delta through our individual county governments and through our role on the Delta Advisory Planning Council and its successor, the Delta Protection Commission. The four million residents of the Delta counties, including the residents of the Delta itself, have a direct stake in the outcome of the current discussions concerning the future of the Delta. For that reason, we appreciate the invitation of the committees to participate in the joint hearing concerning proposed Delta and Water Legislation and we look forward to that discussion.

Committee staff has indicated that there are three questions that the committee would like the stakeholders to address. We plan to discuss these issues in our oral presentation, but take a moment to address them here in turn.

How important is a Delta solution this year? Unfortunately, the current package of bills is neither comprehensive nor complete. In our view, there is far too much at stake to rush this process and run the risk of making serious errors. Past experience has taught us that complex issues, especially ones with a long history such as state water policy and the management of the Delta, need a focused commitment and the vetting of many ideas before they can be successful.

In specific, the preprint package is missing some key elements of an overall Delta solution. For the communities of the Delta, the failure to include these issues raises numerous concerns that must be addressed if we are to truly partner with you going forward and achieve real and lasting solutions for the Delta. We sincerely believe that partnership with the Delta Counties and communities is a fundamental and necessary component to the success of any programs or solutions to "fix" the Delta. We have spent countless hours understanding the needs and issues that confront the Delta and are convinced that our participation in the future of the Delta is critical – indeed, that any effort to propose Delta "solutions" is doomed to fail otherwise.

We want all components of the complex legislation regarding the future of the Delta to be acted upon at the same time. Some components mitigate the impacts of others. The Legislature can't and shouldn't try to piecemeal a fix to the myriad problems that we all face. A Delta package without funding, without flood protection, without ecosystem restoration, without protecting our water rights or without sustaining our Delta communities' economy does not meet the very basic elements sought by the Delta Counties.

The package appears to allow, without further action by this or any future legislature, the authorization for a new cross-Delta conveyance. We believe that the final authority for any such peripheral canal or isolated conveyance should rest with the Legislature.

Any legislation addressing the Delta needs to be inclusive and encompass solutions to these issues. We urge the Legislature to take the time necessary to put together the whole package before you act. A complete package is better than a hurried one.

What are the most important elements to include in the package? The five Delta Counties stand firm and united around an important principle that we believe should guide any legislation that affects the Delta: In every bill, the goals of water supply reliability and ecosystem restoration must be joined with protecting and enhancing the unique cultural, recreational, agricultural and socioeconomic values of the Delta. That means, for example, that any decision about a peripheral canal or "alternative conveyance" should await the outcome of the work and recommendations of the proposed Delta Independent Science Council AND the Delta Stewardship Council's development of a Delta Plan that is shaped, in part, by the proposals and recommendations of the Central Valley Flood Protection Plan, Delta Counties and their communities.

Consideration of Delta communities' proposals and recommendations is not possible, of course, unless Delta County representatives are a significant presence on the Stewardship Council that is proposed in Senator Simitian's bill (SB 12 – Preprint SB 1) and the protection and enhancement of the values located in the Delta itself are recognized in Assembly Member's Huffman's bill (AB 39 – Preprint AB 1).

What are the most important issues that need to be addressed in the current drafts? We understand that change is coming and we want to participate in developing plans for the Delta. We want you to sustain the intrinsic values of the Delta community along with improving water supply and ecosystem health. The current drafts lack consistency about the goals of legislative action concerning the Delta, in particular the goal of protecting and sustaining the Delta itself.

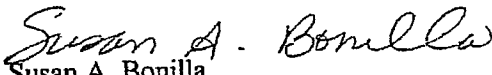
Two of the most critical missing pieces in the current bill package are (1) the lack of a comprehensive bill package and (2) the lack of a guaranteed funding stream that ensures that all of the proposed Delta solutions can be implemented. Our position is that no bills should

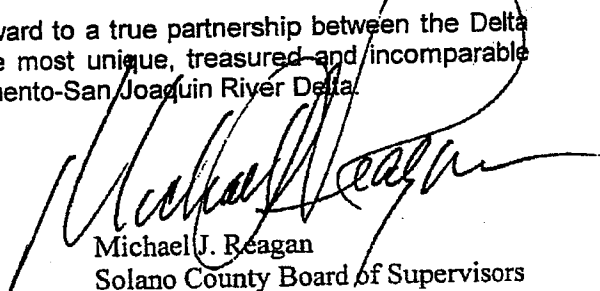
move forward until a complete Delta program is proposed that adequately deals with all Delta issues, including the results of the Bay Delta Conservation Plan (BDCP), and provision for full funding of a complete program that both mitigates the effects of any actions taken in the Delta and sustains and enhances the unique and vital character of the Delta. The five Delta Counties cannot support a Delta package unless it is truly comprehensive.

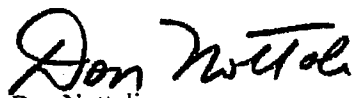
What next? The five Delta Counties and the communities they represent have been nothing but productive and constructive in this dialogue thus far. We made input throughout the Delta Vision Blue Ribbon Task Force and Delta Vision Committee process and are still engaged in regularly scheduled meetings with the Natural Resources Agency and BDCP. We have crafted not one, but two separate proposals with Senator Wolk for a revised DPC and for the creation of a Conservancy for the Delta in an attempt to create a package of legislation that would be truly comprehensive. We have attended numerous working group meetings hosted by Senator Simitian. Throughout the spring and early summer, we met with the members of the bi-cameral working group that was examining possible Delta legislation. We have, in fact, provided you with what we consider to be the needs of our constituents, and we have done this on numerous occasions. We have, at the joint committees' request, offered suggestions again to you today as requested by your consultants. We're happy to sit down anytime, anywhere, with anyone in the State that understands we must all be made better - or at least whole - at the same time.


Thank you for your consideration and we look forward to a true partnership between the Delta communities and the State to address one of the most unique, treasured and incomparable natural assets in the State of California: the Sacramento-San Joaquin River Delta.


Cordially,


Susan A. Bonilla
Chair
Contra Costa County


Michael J. Reagan
Solano County Board of Supervisors


Don Nottoli
Member, Sacramento County Board of Supervisors
District 5


Mike McGowan
Supervisor
Yolo County


Larry Ruhstaller
Supervisor
San Joaquin County

cc: Members, Senate Committee on Natural Resources and Water
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Senator John J. Benoit
Senator Dennis Hollingsworth
Senator Robert Huff
Senator Christine Kehoe

Senator Mark Leno
Senator Alex Padilla
Senator Joe Simitian
Senator Patricia Wiggins
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Senator Tom Harman
Senator Christine Kehoe
Senator Abel Maldonado
Senator Fran Pavley